

INFORMATION LETTER

NATIONAL CANNERS ASSOCIATION

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HOUSE REPORTS LABOR BILL

Hours Exemptions for Workers on Seasonal Products Retained

After inserting numerous amendments the House Labor Committee voted on Wednesday, August 4th, to report the Senate draft (S. 2475) of the Black-Connelly wage and hour bill. The formal report was filed in the House on Friday, along with a request to the Rules Committee that a rule be granted for House consideration of the measure early in the week of August 9th.

As was reported in last week's INFORMATION LETTER, the bill as passed by the Senate provides that the maximum hour limitations of the bill shall not be applicable with respect to persons employed in connection with the canning of fish, seafoods, fruits, or vegetables when such services are of a seasonal nature. This provision, which also exempts several other miscellaneous seasonal employments, was amended by the House Committee by including the storing of cotton and the processing of cottonseed.

Two new circumstances were added by the Labor Committee to those to be considered by the Labor Standards Board in establishing a minimum wage. They are (1) "the relative cost of transporting goods from points of production to consuming markets" and (2) "differences in unit costs of manufacturing occasioned by varying local natural resources, operating conditions, or other factors entering into the cost of production."

Under an amended definition of "substandard labor condition" adopted by the House Committee such a condition would mean an employment under which "women or minors are employed between the hours of midnight and 6 o'clock antemeridian." Another change made to the Senate bill would require "that for the purpose of maintaining the health, efficiency, and general well-being of the employees affected, it is the declared policy of this Act to discourage employment of persons between the hours of midnight and 6 o'clock antemeridian in those industries or occupations which do not require continuous process operation, and persons employed in such industries or occupations between the hours of midnight and 6 o'clock antemeridian shall be paid a rate of not less than one and one-half times the rate established pursuant to" the section under which minimum wage standards are fixed.

The Committee also adopted three amendments urged by labor organizations for the purpose of protecting collective bargaining. The amendments would limit the establishment of minimum wage or maximum hour labor standard orders to those occupations where collective bargaining is inadequate, ineffective, or does not cover a substantial portion of the employees; provide that a labor standard order covering any occupation shall not establish for any locality a minimum wage which is lower or a maximum workweek which is longer than the prevailing minimum wage or workweek; and

provide that the minimum wage and maximum workweek established by collective bargaining agreements in any occupation shall be prima-facie evidence of the appropriate minimum wage and maximum workweek to be established by the Labor Standards Board.

WALSH-HEALEY ACT RULE

Inapplicable to Goods Manufactured Prior to Date of Contract Award

From time to time cannery have inquired whether the provisions of the Walsh-Healey Act applied to canned foods processed prior to the date the contract is awarded. The Association had advised informally that the law might be interpreted to apply only to labor performed after the date the contract was awarded. In reply to a recent inquiry by a large eastern wholesaler, the Administrator of the Division of Public Contracts in the Department of Labor stated:

"You are correct in your interpretation that the Walsh-Healey Act does not apply to canned food products which have been packed prior to the opening of the bids except as to the handling and shipping of such products.

"You are also correct in your understanding that if a bid for canned food products should be opened on the 5th of the month and the goods should be packed on the 6th, 7th, and 8th, the Walsh-Healey Act would apply to the packing of the goods as well as to their subsequent handling and shipping."

CONGRESS SUMMARY

Labor, Resale Price Maintenance, Housing, and Sugar Measures Under Consideration

Legislative action of the past week included the favorable report of the House Labor Committee on the Black-Connelly wage and hour bill (discussed elsewhere in the LETTER); the acceptance by the House and Senate of the Conference Committee report on the District of Columbia revenue bill, which carries as a rider the Tydings-Miller resale price maintenance bill; the continued consideration of food and drug legislation by a subcommittee of the House Committee on Interstate and Foreign Commerce; and the passage of the honeybee amendment to the marketing agreements act. The Senate has been engaged in debate on the Wagner low-cost housing bill and the House has taken up the Committee on Agriculture's administration-opposed sugar control bill.

The District of Columbia revenue bill, with the Tydings-Miller bill as a rider, has gone to the President for signature. It will be recalled that shortly after the bill had been reported favorably by House and Senate Committees the

President voiced his opposition to the proposal, expressing the opinion that the bill would tend to further the increase of prices.

The Tydings-Miller bill would exempt from the Federal laws prohibiting restraint of trade and unfair methods of competition contracts or agreements prescribing minimum prices for the resale of commodities, if the contract or agreement is legal as applied to intrastate transactions under the laws and public policy of the State where the resale is to be made or to which the commodity is to be transported.

In theory the bill is similar to the Ashurst-Summers Prison Goods Act, which has been upheld by the Supreme Court and which, through the Federal Government's control over interstate commerce, allows the States to determine and enforce their public policy free from competitive influences without the State.

Following approval of the bill by the President, the INFORMATION LETTER will carry an analysis of the Tydings-Miller amendment.

FIBER BOX SIMPLIFICATION

Revised List of Recommended Sizes is Sent Out for Approval

A proposed revision of the Simplified Practice Recommendation for corrugated and fiber boxes for canned fruits and vegetables has been submitted by the Simplified Practice Division of the National Bureau of Standards to box producers, distributors, and users for their approval. This revision includes recommended inside dimensions of boxes, based on arrangement of cans in the box, for the 21 recommended sizes of cans recently adopted by the canning industry and distributors. Adoption of a revised box list will thus keep the schedule of box sizes in line with the recommended can sizes.

The simplification program for boxes, like the program for cans, is entirely voluntary, and its success depends wholly on the cooperation of those concerned, both producers and users. The canners who signify their acceptance are not bound to the purchase and use of only the recommended box sizes, for obviously there will be occasions when it will be necessary to purchase boxes of sizes other than those included in the list. The Department of Commerce has no regulatory powers with respect to these simplified practice programs, and its service is chiefly as an agency to insure adequate consideration of the needs of all interests and to secure the general adoption of and adherence to the recommendations agreed upon.

A number of canners have made inquiries concerning the requests for acceptances as sent out by the Division of Simplified Practice, and this explanation is made in order that canners may, if they desire, signify their desire to cooperate in the program.

AUSTRALIA MAKES RECORD PACK

Detailed Statistics on 1937 Fruit Output Issued by Control Board

Australia's canned fruit pack of 2,330,498 cases in the 1937 season was a record, according to the American trade commissioner in Sydney. The Canned Fruits Control Board

states that the pack was as follows, in cases of 2 dozen 30-ounce tins:

	Apricots	Peach halves	Peaches sliced	Pears
Export pack:	Cases	Cases	Cases	Cases
Choice.....	10,570	52,472	48,608	15,011
Standard.....	76,792	343,340	438,206	554,245
Seconds.....	4,806	147,799	112,138	118,463
Domestic pack (standard).....	35,021	131,972	121,530	119,525
Total.....	127,189	675,583	720,482	807,244

Previously the largest quantity of fruit packed in any one season was 2,221,429 cases in 1936, of which 379,435 cases were apricots, 1,033,607 peaches, and 808,387 pears.

The Secretary of the Canned Fruits Control Board states that sales to Great Britain to the end of May aggregated 1,270,000 cases, as compared with 930,000 cases in 1936. In markets other than Great Britain, Australia usually sells about 150,000 cases of fruit. In 1937 it is expected that sales will amount to about 250,000 cases.

Minimum prices at which Australian canned fruits may be sold on markets in Britain were increased by the Canned Fruits Control Board early in June. Prices of apricots, pears and peaches were increased by 3d. a dozen 30-ounce tins and 1½d. a dozen 16-ounce tins. The increase was made following a recommendation from London that a rise in prices might be warranted as Australian fruit was selling at prices which compared favorably with those of fruit from the principal competitor, California.

Fruit and Vegetable Market Competition

Carrot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

	Week ending—				Season total to—	
	July 31	July 31	July 24	July 31	1936	1937
VEGETABLES	1936	1937	1937	1936	1936	1937
Beans, snap and lima	39	33	27	7,830	7,975	
Tomatoes.....	221	244	148	18,205	17,355	
Green peas.....	284	271	111	5,575	5,106	
Spinach.....	9	3	11	7,450	8,118	
Others:						
Domestic, competing directly.....	1,949	1,583	1,689	120,965	120,890	
FRUITS						
Citrus, domestic.....	1,884	1,269	1,522	117,330	127,175	
Imports.....	0	2	13	704	320	
Others, domestic.....	5,441	4,121	2,553	23,973	13,278	

Licensing of Fruit Juices in Pennsylvania

Some years ago the state of Pennsylvania enacted a law requiring that still beverages on sale in the state be registered with the state Department of Agriculture, and fixed an annual registration fee of \$50.00. Such registration expires one year from the date of issuance unless renewed annually by the payment of a fee of \$50.00.

This law has never been enforced with reference to fruit juices as there has been some question as to whether or not it was applicable to them. Recently the law has been

amended so as to require the registration of all fruit juices except apple juice and grape juice.

Copies of a form on which to make application for registration may be obtained of the Director of the Bureau of Foods and Chemistry, Harrisburg, Pennsylvania.

Death of Leander Langrall

Leander Langrall, aged 79, head of J. Langrall & Bro., Inc., one of the oldest canning establishments in Baltimore, died suddenly at an Atlantic City hospital on August 4th. Mr. Langrall was the oldest member of the Baltimore Canned Foods Exchange and had served as its treasurer since its organization. Funeral services were held at Baltimore on August 5th.

Temperature and Rainfall Records

The following table gives the average temperature and total rainfall for the principal pea growing districts for each of the last two weeks, as shown by the U. S. Weather Bureau reports for selected stations in these districts:

District	Week ended July 27, 1937		Week ended August 3, 1937	
	Temp.	Rain	Temp.	Rain
Maine.....	71	0.4	66	0.1
Western New York.....	75	0.2	68	0.3
Tri-States.....	78	1.0	76	1.3
South Central Ohio.....	75	0.2	74	.0
Central Indiana.....	74	0.4	74	0.1
Central Illinois.....	72	0.4	77	.0
Northern Illinois, Southern Wisconsin.....	74	0.2	73	.0
Southern Minnesota.....	75	0.2	77	2.1
Northern Colorado.....	78	.0	75	0.6
Northern Utah.....	84	.0	75	0.2
Northwestern Washington.....	69	.0	63	0.2
Southeastern Washington.....	83	.0	71	0.1

PHILIPPINE CANNERY PROJECTS

Can Factory Planned to Supply Containers to Small Canneries

The National Development Company is completing organization plans for a subsidiary to be known as the National Food Products Corporation, which will have an authorized capital of \$1,000,000 to be paid in as required, according to the American trade commissioner at Manila. The first step will be a can factory in Iloilo to supply cans to small canneries throughout the Islands. Specifications and quotations have been received from several American manufacturers of can-making machinery who are represented in the Philippines. The factory will have a capacity of 250 small cans per minute.

Canneries to be established as soon as possible will put up fish, fruits, vegetables and possibly meat. Although fruits and vegetables are produced in only a very limited way and are expensive even when they are in season, the executives of the National Development Company believe that canneries will serve a useful purpose in preserving certain fruits and

vegetables which are liked by the Filipinos and are produced in such quantities in certain districts that they are to a large extent wasted because facilities for preservation and transportation are lacking. The fish that will receive the most attention from the canneries is not such deep-sea fish as tuna or lapulapu, but a fish known as milkfish, which is found in ponds at a number of places throughout the Islands and is a popular article of diet. The practicability of canning meat has not been decided. The Filipino taste is for fresh meat, and unless tastes can be changed there would not be a great deal of demand for canned corned beef.

Canning Activity in Italy

Neapolitan canneries have been active during the past month turning out cherries in syrup, cherry jam and string beans, according to a mid-July report from the American consul at Naples. An abundant crop of good quality has been responsible for an increase of approximately 30 per cent in cherry canning as compared with last season. At present the industry is working on the apricot crop, canning fruit in syrup and making jam. It is estimated that production will be about the same as last year.

Tomato canners have expressed the opinion that the output of all their products will be somewhat greater than in 1936, as they expect a stronger demand from foreign markets. They can also discount Spanish competition. Satisfactory orders from England are reported and 400,000 cases of peeled tomatoes, (12 three-pounds cans per case) have already been placed at a price of 5 shillings per case c.i.f. London. There is little current demand from the United States. Carryover stocks are said to be limited, so that there is a good possibility of the local industry being able to dispose of this season's production.

Bulgaria Developing Canning Business

Canned tomatoes, peeled and in tins containing tomato sauce, in the form demanded by the London market, are now being prepared for export from Bulgaria to England, according to the American consul at Sofia. In 1936 some 2,000 cases of such tomatoes were exported. It is now announced that London importers have ordered some 50,000 cases. Each case contains 24 tins of 3 pounds.

Efforts are being made to develop the export of fruits, such as peaches, apricots, cherries, raspberries and others, in the form of pulp, in a semi-preserved state, which is more adapted to subsequent commercial treatment. Exports of strawberry pulp have so far proved a successful experiment, the quantity exported having increased from 270 tons in 1935 to 1,850 tons in 1936 and over 3,000 tons in 1937. Peach pulp is now in preparation and the first exports will take place in a few weeks.

Flood Relief Contributions

The following letter from Mr. George C. Smith, General Supply Officer of the American Red Cross, has been received by Mr. Carlos Campbell, Secretary of the National Canners Association's Committee on Flood Relief:

"I wish to acknowledge and thank you very much for your letter of July 17, attaching list, by states, of the cases of canned goods so generously donated by the canning industry to the American Red Cross flood relief operations. This represents a splendid contribution for which we are very grateful.

"I also wish to take this opportunity to thank you for your assistance and cooperation in this matter."

Dr. Kohman Joins Research Staff of Campbell Soup Co.

Dr. E. F. Kohman, who has been a member of the Association's Research Laboratory staff for the past eighteen years, has resigned to join the research staff of the Campbell Soup Company at Camden, New Jersey.

Dr. Kohman's work with the N. C. A. Research Laboratory covered a wide range of subjects, among which special mention should be made of his contributions relating to vitamins in canned foods, the nature of corrosion in canned foods, the study of springers and perforations, and the broad aspects of nutrition with special reference to canned foods.

In addition to his contributions to the annual reports of the Research Laboratory, which have always been substantial, he has published in the scientific literature, either by himself or in joint authorship with others, at least fifty articles giving the results of researches relating to the subject of canned foods.

State Supervises Marketing of Pennsylvania Huckleberries

Pennsylvania's half-million dollar wild huckleberry or blueberry crop is again being marketed this year under the careful supervision of the State Department of Agriculture to prevent heavy losses to pickers and shippers due to blueberry maggot infestation, according to an announcement by that Department.

Prior to last year large shipments were confiscated and destroyed at the markets because maggots had developed in the berries in transit. During the 1936 harvest the Department of Agriculture placed insect traps in the berry picking areas to determine when the adult fly emerged and began laying eggs in the berries. Shippers were warned to discontinue deliveries as soon as conditions indicated likelihood of maggoty berries.

The Bureaus of Foods and Chemistry, Markets, and Plant Industry are cooperating to continue to give this service to the pickers and growers and to protect the consumer from infested berries.

Trading Under the Laws of Venezuela

The Commercial Laws Division of the Bureau of Foreign and Domestic Commerce has just issued a publication under the above title. This bulletin, further designated as Trade Promotion Series 170, may be obtained from the Government Printing Office, Washington, D. C., or from district offices of the Bureau at 15 cents a copy.

Grocery Chain Store Sales in June

Daily average sales of grocery chain stores for June were about 2 per cent below the dollar volume for June, 1936, according to preliminary estimates of the Bureau of Foreign and Domestic Commerce. As compared with May of this year, there was a decrease of about 3½ per cent, whereas there is usually no change between these two months. Daily average sales for the first six months of the year were 3½ per cent above those for the same period of 1936.

Salmon Stock Reports

Reports on the unsold stocks of salmon, issued monthly by the Association of Pacific Fisheries, will not be issued for July 31st and August 31st, it is announced. These reports have been reproduced regularly in the INFORMATION LETTER, the report for June 30th, which appeared in the LETTER for July 17th, showing an almost complete clean-up of unsold stocks.

CONTENTS

	PAGE
House reports labor bill.....	5325
Walsh-Healey Act rule.....	5325
Congress summary.....	5325
Fiber box simplification.....	5326
Australia makes record pack.....	5326
Fruit and vegetable market competition.....	5326
Licensing of fruit juices in Pennsylvania.....	5326
Death of Leander Langrall.....	5327
Temperature and rainfall records.....	5327
Philippine cannery projects.....	5327
Canning activity in Italy.....	5327
Bulgaria developing canning business.....	5327
Flood relief contribution.....	5327
Dr. Kohman joins research staff of Campbell Soup Co.....	5328
State supervises marketing of Pennsylvania huckleberries.....	5328
Trading under the laws of Venezuela.....	5328
Grocery chain store sales in June.....	5328
Salmon stock reports.....	5328